

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
1.	I	Intro. & Project Description	I-1		Is there a break down of the 3.9 billion-dollar improvement plan for rail and bus?	Please check the Sound Transit web site at www.soundtransit.org
2.	General				What responsibility does each of the seven agencies have in the contract award process?	KC is the lead agency to administer the procurement process. Each of the 7 agencies will fully participate in all stages of proposal evaluation and contract award.
3.	General				Does the in-vehicle equipment in support of the RFCS include a new state of the art farebox?	The requirements for in-vehicle equipment allow for innovation in meeting farebox requirements
4.	General				Has this technology and the potential products been successfully demonstrated to the association and if so, by who?	Yes. It is not appropriate for the association to reference specific vendors.
5.	General				Has this technology been successfully implemented in a similar environment?	It is the proposer's responsibility to research the market for equipment which meets the association's requirements.
6.	General				Has the Association done any risk assessment related to this type of application of Smart Card Technology? If so, is the risk assessment available?	The Association has published no studies which it has entitled a "risk assessment".
7.	General			(3)	Are there any limits to liability?	As noted under XII Risk Allocation of Division I, the allocation of risk is subject to change based on the overall approach which may be accepted by the agencies. However, the current terms and conditions set forth in Division I of the RFP contain provisions which may limit a contractor's liability in some circumstances (see e.g. 3.I-57(d)).
8.	General				How does the Association provide for the detection of fraudulent cards?	The proposer will provide for the detection of fraudulent cards in their proposal related to security requirements.
9.	General				What State and Federal funding approvals have been received for this project? What approvals are still required for full funding to be obtained?	The association will utilize local, state, federal and private funds to finance the system. The association does not discuss its definition of "full funding" and will continue to seek funds throughout the Project implementation phase to address additional applications and future phases.
10.	General			(3)	For those agencies participating in the RFCP, is there a documented Y2K readiness plan in place within each organization?	The FTA requires the agencies to be Y2K compliant, and all agencies have plans in place to be compliant by December 1999.
11.	General			(3) (5)	Please identify the current non-operator fare media sales locations. What sales agreements are in place (i.e. Commission, Prepay, Consignment)?	Information regarding current locations may be found on the website; however, the Association does not intend to duplicate the current retail outlet structure.
12.	General			(3)	Terms and Conditions Will the Association agree to limitation for consequential or indirect damages?	No.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
13.	General			(1)	Equipment and Services Requirements How will non-fare card applications be evaluated during the bid evaluation, given there is no fixed response criteria provided?	Section 14 applications will be evaluated. Section 15 applications will not. The RFP will be amended to correct an error which indicates a KC badging application in Section 14.
14.	General			(3)	Equipment and Services Requirements What standard commercial data format would the Association accept as a common interface to the various Agency legacy MIS systems? Specifying a common interface will assist with a fair bid comparison.	Each agency has specific data interface requirements as stated in the RFP; there is not a standard commercial or common interface. It is the responsibility of the Contractor to define detailed interface and message requirements for each distinct interface.
15.	General			(1)	Equipment and Services Requirements What mechanism does the Association plan on using to ensure that GFI cooperates to enable cost effective integration? We recommend some type of contractual agreement. In the absence of this agreement, would the Association accept the integration activity as a separate line item on the evaluation price sheet?	The Association expects proposers to determine what is required for integration; however, Section 4.6.1 regarding farebox integration has been revised to clarify the responsibilities of the Contractor, and the Integration and Reporting price sheets have been modified to allow pricing for the integration effort.
16.	General				Equipment and Services Requirements Would the Association accept suitable alternatives to J1708 and LonWorks™ for the on-bus networking?	Proposers are to submit proposals meeting the RFP requirements. In addition, proposers may propose alternatives that provide enhancements or advantages to the Association beyond the RFP requirements. Such proposed alternatives must be clearly identified in proposal.
17.	General				Equipment and Services Requirements Please clarify the degree of conformance required for the ITS and TCIP standards.	The National ITS Architecture and TCIP components are still emerging as standards. The equipment should be developed in the spirit of open architecture to the extent possible given the current state of the standards development at the time.
18.	General				Equipment and Services Requirements Would the Association accept a WDOL function integrated into another component (e.g. The VLU), rather than being a separate unit?	Yes
19.	General			(3)	Equipment and Services Requirements Please specify water and dust protection requirements by referring to industry standards.	General standards for fare collection equipment, appropriate for Seattle's climate, do not exist. Requirements vary by device; use requirements as stated in the specifications.
20.	III	1.5.1	6.III-9	(1)	Equipment and Services Requirements What are the low transaction volume MTBF values for Figure III-1.1	The RFP has been amended to revise Figure III-1.1 to address low transaction volumes. See Addendum I for details. Proposers are referred to the sections noted in Figure III-1.1 for the specific low transaction volume reliability values.
21.	I	3.1-74	I-122	(3)	Terms and Conditions Would the Association accept a performance bond in lieu of a letter of credit?	No.
22.	I	3.1-58 (a)	I-113	(1) (3)	Terms and Conditions Will the Association deem withdrawal of funding (as per 3.1-58 (c) to be a termination for convenience?	Yes. The language for termination due to non-appropriation of funds will be revised to be consistent with the termination for convenience language.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
23.	I	3.1-49	I-103		Terms and Conditions How does the Association reconcile the logical conflict between the ‘most favored customer’ warranty, and a competitive price bid tender?	We expect proposed prices to not exceed the prices firms charge for similar products/services, in similar quantities, under similar terms and conditions.
24.	I	3.1-32	I-92	(3)	Terms and Conditions Will the Association agree to provide a pricing line item to allow the price surcharge to be assessed for the license rights requested in 3.1-32?	The Association expects proposers to submit price proposals that reflect the requirements specified in the RFP. Proposers may include additional price information to demonstrate how those prices were determined.
25.	I	3.1-29	I-91	(3)	Terms and Conditions How will the Contractor be compensated for costs incurred due to delays or interruptions caused by the Association?	The Contractor may request an equitable price adjustment in accordance with the Change Order process defined in the RFP.
26.	I	3.1-27 (d)	I-89	(3)	Terms and Conditions Would the Association agree to make the Contractor’s schedule part of the contract documents?	The final project schedule will be part of the contract document.
27.	I	3.1-4	I-77		Terms and Conditions How will the Contractor be compensated for costs incurred due to changes in government rules?	By change order if the change in government rules impacts the project requirements.
28.	III	2.3.1 (f)	6.III-23	(1) (3)	Equipment and Services Requirements Would the Association consider a line item in the evaluation price sheet for possible costs associated with changing card supplier?	No. The requirement relates to the Association’s desire to be able to address card reliability issues in a timely manner.
29.	I	Fare (e)	I-19		Requires the RCFS to give the bus operators the ability to reverse a stored value fare transaction. Typically value loading is conducted at devices that are online to a central location that houses an HSAM for security reasons. Enabling this function on an FTP or PFTP poses a serious potential security liability for the Association. Was the intent to only allow bus operators, WSF seller, ST fare inspectors or customer service representatives to complete a reversal function at an online CST? Please clarify.	No. The requirement is to allow bus, ferry or rail personnel to reverse a single transaction at the point of payment, within time restrictions, for customer convenience. This action would take place off-line “in the field” or on-line at a CST. Individual agency policy, combined with the requirements to provide an audit trail and the ability to enable/disable the function, will govern its use.
30.	I	Attachment B, IX Svc. Trans.	Price Sheet-11		In order to provide annual costs as outlined, the proposer requests that the Association provide a volume and usage assumption model for the 10-year period. This would include the Association’s assumptions on cards issued, card distribution, revalue transactions, payment transactions, call center volumes, etc.	Please respond per the ranges provided. Current revenue information is included so that the proposer can make assumptions about conversion to smart card.
31.	I	Intro. & Project Description • Div. III	I-3		Are the agencies (other than Sound and King) interested in the “smart bus” system back plane which fully complies with the data on/off load requirements stated in the “smart card” RFP for future expansion to “smart bus” technology?	Perhaps as a future innovation.
32.	I	Attachment B, Payment Schedules	Price Sheet-2	(1) (3)	Typically, design and build contracts include milestone payments to reimburse the contractor for costs occurring during development efforts. The RFP states that equipment purchase, equipment installation, integration and reporting, lump sum costs for phase I, phase II and special program implementation, training development, and optional items are payable after full system acceptance even though the contractor will experience	The payment schedule has been revised to allow for certain payments related to equipment, installation, cards, integration, reporting, implementation and training to be made upon Beta Test Acceptance. See the revised "Payment Schedules & Pricing Information" sheet included with Addendum No. 1.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
					significant cost prior to full system acceptance. Whenever schedules change, complete re-pricing becomes necessary.	
33.	I	Attachment B, Payment Schedules	Price Sheet-2	(3)	Our understanding of the current price schedule is that the contractor would need to recoup its expenses based on transactional volumes and not on individual events. For example, the customer support center telephone help calls, card distribution are not separate billable items. The contractor would need to recover its cost through transactional volumes. This would introduce significant additional risk to the contractor and will be a significant cost driver. Will the Association change the price schedule to better reflect the project's cost drivers (i.e. price per call above a baseline, price per card distributed at an employer etc.)?	Proposers are to submit proposals meeting the RFP requirements. In addition, proposers may propose alternatives (including financial) that provide enhancements or advantages to the Association beyond the RFP requirements. Such proposed alternatives must be clearly identified in proposal.
34.	I	Attachment B, Payment Schedules	Price Sheet-2		Will functionally compliant base proposals which take exception to payment terms and offer alternate payment terms be acceptable?	Proposers are to submit proposals meeting the RFP requirements. In addition, proposers may propose alternatives (including financial) that provide enhancements or advantages to the Association beyond the RFP requirements. Such proposed alternatives must be clearly identified in proposal.
35.	I	Attachment B, I Equip. Purchase	Price Sheet-3	(3)	Setting a range of quantities and pricing without knowing what the minimum purchase quantity will be creates risk and can drive up costs across the board. Prior documents submitted for Industry review had quantities set. Can the Association define the minimum quantities that they will purchase at the completion of phase II?	The price sheets specify ranges of quantities and volumes. The cost risks should be distributed over the various ranges (low to high) and reflected in the unit prices for each range.
36.	I	3.1-32 (b), (2)	I-95	(3)	What are the requirements of the programming interfaces described in Section 2 Division 1 Page 95.	If the Contractor proposes to provide the Association with programming interfaces instead of the source code, the program interfaces must be sufficient, in the Association's reasonable opinion, to permit the Association to install and use, practice, translate, reproduce, modify, adapt and create derivative works from, all such intellectual property rights, and assign or license such rights to third parties.
37.	I	2.I-4.3 (5)	I-73	(3)	Why is the year 1 definition in section 2.I-4.3 based on the period from full acceptance to December 31 in that same year? This definition may cause significant problems in the lease and other cost calculations and it also creates significant problems as it relates to the price schedules.	The "Year" Definition is provided to clarify the starting point of each year of payments in the price sheets following "Year 1". The definition of "Year 1" synchronizes the project budget cycle with the calendar year after contract award.
38.	I	1.I-7	I-25	(3)	Will the guide lines set forth in the Smart Card RFP prevent the contractor or subcontractor from discussing Smart Bus Technology with the Association and all Transit Authority employees?	Yes.
39.	I	2.I-4.3 (3)	I-73	(3)	The proposal states that a 10-year life cycle present value analysis will be utilized in the price evaluation. What rate(s) will be utilized in the present value analysis?	The rates have not yet been determined.
40.	I	2.I-4.1.1	I-47		Will certain selected Association/Agency employees be available for assignment to the test team?	Yes

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
41.	I	Attachment B, VI Integration Costs	Price Sheet-7	(3)	In order for the proposer to provide lump sum costs for integration of existing systems and equipment, further detailed specifications and implementation details are requested for each integration efforts identified in the Price Sheet.	Please refer to Appendix A under “Infrastructure Details” for each agency for information about existing/planned systems and equipment. Implementation details are discussed in Section 6.II-11, starting on page 6.II-59.
42.	I	2.I-3.5 (II.A.2)	I-38		Please clarify definition of term “Business Architecture” in Executive Summary requirements (item 2)	Business Architecture is used to mean the business process flow of the RFC system.
43.	I, III	2.1.41.2	I-65, 6.III-134	(1)	King County ID & Bldg Access is listed as a non-fare application in Div. I, but as a system expansion in Div. III; how should it be treated in the proposal?	The RFP has been amended to eliminate reference to the King County ID & Building Access application under Non-Fare Applications in Division I. See Addendum I for details. Proposals should respond to this application as a system expansion using the criteria and proposal submittal requirements for System Expansion & Potential Future Applications.
44.	I	1.I-13.2	I-27		Does the Association require fifteen copies of Attachment B in separate, sealed envelopes?	15 copies of Attachment B (Price Proposal) in one (1) separate sealed envelope.
45.	II	7.3 (d)	6.II-45		Please clarify that only reconciliation and not funds movement is required daily. Funds movement can only occur on normal banking days as set by the financial institutions.	Yes. The performance requirement that the Contractor reconcile revenue daily (7 days a week) refers to reconciliation of the revenue and transaction data. Funds movement and reconciliation must still comply with the laws, policies and regulations governing Agency operation as indicated in the cash management requirements.
46.	II	5.3 (c)	6.II-36		Please clarify that 100% reconciliation and settlement only applies to those transactions received and validated by the Clearinghouse.	Yes. The performance requirement that revenue be reconciled and settled with 100% accuracy refers to only the transactions received, processed and validated by the Clearinghouse.
47.	II	5.2.1.3 (c)	6.II-25		Please clarify that there will be a system-wide upload cutoff time for daily processing regardless of when each Agency performs their daily upload.	Yes. The Clearinghouse can have a system-wide transaction upload cutoff time for daily processing, provided all of the daily processing/business cycle requirements are met.
48.	II	2.2.1 (j)	6.II-12		Please clarify the extent of the data to be made available to the institution in lieu of recent privacy concern issues being discussed publicly. It is stated in <i>Division I - Business Rules and Policies</i> under <i>Card Distribution and Issue</i> item (g) that the participating organization in the institutional program will retain the linking information and not the RFCS. This statement appears to contradict the requirement in Division II, please clarify what is required of the contractor in this area.	There is no change planned to the institutional business rules related to linking card serial numbers to their individual holders. The Division I and II references have been reviewed and are in agreement. We do not identify a conflict.
49.	II	11.4.4	6.II-91	(1)	Installation Test Plan has no CDRL number	The Installation Test Plan will be assigned CDRL number 22. See upcoming amendment for final revision.
50.	III	13.2.2 (b)	6.III-113	(3)	In order for the proposer to provide costs for integration of the client application to Agency legacy systems, further detailed functional requirements and interface specifications are requested for those legacy systems.	It is the responsibility of the Contractor to define detailed interface and message requirements for each distinct interface as part of detailed design and implementation. Please refer to Appendix A under “Infrastructure Details” for

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
						each agency for information about existing/planned systems and equipment.
51.	III	11.4.1 (h)	6.III-94	(1) (3)	Item (h) identifies the requirement for the CST to have a card-dispensing module. However, a card-dispensing module is not listed on Figure III-11.1 on the same page. Please clarify.	A card dispensing module as described in Item (h) is required, and Figure III-11.1 will be updated to reflect this requirement.
52.	III	11.1 (a)	6.III-88	(3)	There is a requirement on page 6.III-29 in section 2.6.2 that chip personalization during card issuance be done in the presence of a SAM. However, in 11.1 (a) it states that a function of the CST will be to initialize and issue cards. Typically that is a function completed by the entity providing card issuance services using something like a DataCard 9000. Figure III-11.1 on page 6.III-94 does not list a need for a SAM on the CST. Please clarify?	The CST must be able to activate a card (mark card as a valid, active card in the system) when it is distributed to the customer through a CST. Also, the CST must enable the customer service personnel to personalize the card with the information necessary to make it a linked card.—such personalization will require a security module.
53.	III	11.2.4 (a)	6.III-92	(3)	Normally a card is not issued until it is pulled from inventory after the card issuance process has been completed. Can you please clarify when a card could be issued before it has been initialized?	This type of activity is sometimes referred to as personalization. Please refer to the definition of "Card Initialization" for RFCS in section 6.II-4.2.1.
54.	III	9.1	6.III-64		Is there a requirement for a logic unit computer similar to the on-board VLU for the stand alone FTP?	No.
55.	III	6.8	6.III-56		Has the radio manufacturer demonstrated that items i) to xii) can be accomplished through the radio manufacturers published external interface specification?	Demonstration of these capabilities is included in the MDT Replacement contract scope of work performed by a local contractor, not the radio manufacturer.
56.	III	6.8 (a)	6.III-56		If the answer is yes to above question; 1) Is this external interface specification available now and how can it be obtained? 2) Is information available from the Radio manufacturer documenting this demonstration and are details available on the use of this external interface?	Information is anticipated in late-June to early-July.
57.	III	6.8 (b)	6.III-56		If the answer is no to above question; Is it the responsibility of the RFCS project manager to ensure that the Radio manufacturer has an acceptable interface to support the RFCS project requirements? If not, whose responsibility is it?	Information is anticipated in late-June to early-July.
58.	III	6.8 (c)	6.III-56		When will the King County Metro detail design requirements for the MDT replacement going to be completed? This will have an impact on the contractor's ability to price the response.	Information is anticipated in late-June to early-July.
59.	III	6.2.1 (f)	6.III-54	(1) (3)	There is a requirement to make the keypad/board configurable to emulate the electronic registering fare box keypad. Can we get current specifications from the fare box manufacturers for estimation purposes?	The proposer should contact GFI directly for this information. The Association expects proposers to determine what is required for integration; however, Section 4.6.1 regarding farebox integration has been revised to clarify the responsibilities of the contractor, and the Integration and Reporting price sheets have been modified to allow pricing for the integration effort.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
60.	III	4.6	6.III-49		Is it a requirement that the OBFTP meet TCIP approved interfaces?	The National ITS Architecture and TCIP components are still emerging as standards. The equipment should be developed in the spirit of open architecture to the extent possible given the current state of the standards development at the time.
61.	III	4.6	6.III-49		Is it acceptable for this to be a proprietary interface?	No.
62.	III	4.6.1 (a)	6.III-50	(1) (3)	Has the existing Farebox manufacturer demonstrated that item A and item B, of 6.III-4.6.1, can be accomplished through their published external interface specification?	The proposer should contact GFI directly for this information. The Association expects proposers to determine what is required for integration; however, Section 4.6.1 regarding farebox integration has been revised to clarify the responsibilities of the contractor, and the Integration and Reporting price sheets have been modified to allow pricing for the integration effort.
63.	III	4.6.1 (b)	6.III-50	(1) (3)	If the answer is yes to previous question; 1) Is the external interface specification available now and how can it be obtained? 2) Is information available from the existing Farebox manufacturer documenting this demonstration and are details available on the use of this external interface?	The proposer should contact GFI directly for this information. The Association expects proposers to determine what is required for integration; however, Section 4.6.1 regarding farebox integration has been revised to clarify the responsibilities of the contractor, and the Integration and Reporting price sheets have been modified to allow pricing for the integration effort.
64.	III	4.6.1 (c)	6.III-50	(1) (3)	If the answer is no to question above: Is it the responsibility of the RFCS project manager to ensure that GFI has an acceptable interface to support the RFCS project requirements? If not, whose responsibility is it?	The Association expects proposers to determine what is required for integration; however, Section 4.6.1 regarding farebox integration has been revised to clarify the responsibilities of the contractor, and the Integration and Reporting price sheets have been modified to allow pricing for the integration effort.
65.	III	4.1	6.III-45 to 6.III-47		Are the three required FTP architectures driven by each Transit Authority's funding?	No. They are a reflection of each agencies' business and operating requirements.
66.	III	2.1.41.2	I-65, 6.III-134	(1)	King County ID & Bldg Access is listed as a non-fare application in Div. I, but as a system expansion in Div. III; how should it be treated in the proposal?	The RFP has been amended to eliminate reference to the King County ID & Building Access application under Non-Fare Applications in Division I. See Addendum I for details. Proposals should respond to this application as a system expansion using the criteria and proposal submittal requirements for System Expansion & Potential Future Applications.
67.	III	2.7.1	6.III-29	(3)	Sound Transit – can we get detailed specifications on the design of the fare collection equipment, the equipment contractor's message formats, network protocols, software and infrastructure architecture? Is it an open architecture or a proprietary system? Also what is CDCS in the last sentence?	Contract negotiations are currently being completed for the ST Ticket Vending Machines (TVM). The vendor will be Scheidt & Bachmann, and the following is what is known regarding the specifications at this time: <ul style="list-style-type: none"> • In general the architecture is an open architecture using Windows NT and TCP/IP networking protocol. There will be some proprietary elements. • The infrastructure architecture uses an ISDN line or equivalent. • The Central Data Collection System (CDCS) uses an Oracle data base.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
						<ul style="list-style-type: none"> Card dispensing unit has a 300 card capacity. The TVMs will provide contactless smart card capability to allow: TVM access Fare value loading The TVMs will provide contact smart card capability through an EMV compliant card reader to allow the future use of a stored value purse such as Visa Cash or Mondex.
68.	III	2.7.2 (b)	6.III-30	(3)	What is the contractor's responsibility as the card issuer in regards to campus card?	The card issuer's responsibility in this procurement relates to the transit application only. The responsibility for future applications (such as campus cards) will be determined at the time they are developed.
69.	III	3.2.3.2	6.III-38		FTP sound level can be controlled with keystrokes – does this imply that the FTP has a keyboard?	No. The intent is to provide sound level adjustment capability to the operator with minimal interaction from the operator. The requirement allows for innovation.
70.	III	4.6.1	6.III-50	(1) (3)	Either DDU can interface to GFI equipment or farebox data needs to be sent to the OBFTP. Can you provide HW and SW specifications for the GFI interface? Do you have rights to modify the GFI software and can these rights be re-assigned to the contractor?	The proposer should contact GFI directly for this information. The Association expects proposers to determine what is required for integration; however, Section 4.6.1 regarding farebox integration has been revised to clarify the responsibilities of the contractor, and the Integration and Reporting price sheets have been modified to allow pricing for the integration effort.
71.	III	1.3.1 (b)	6.III-4		This requirement implies that RFCS equipment will be connected to private Agency networks and the contractor is responsible for security of the equipment and data on their private networks. Please clarify the contractor's responsibilities in this area.	The Contractor is responsible for providing security for RFCS equipment regardless of existing security facilities and systems provided by the Agencies or others. Proposers are referred to the interface diagram in Figure III-12.2 (pg. 6.III-103) and the functional requirements in section III-13.2.2 (pg. 6.III-113) for guidance in this area.
72.	III	6.8	6.III-56		In order to bid the MDT replacement, a specification of the existing HW and SW. Can this be provided? Do you have rights to modify the ARI software as requested, and can these rights be re-assigned to the Contractor?	Further detailed specifications will be provided as they come available. KCM does have the rights to modify the ARI software.
73.	III	9.1	6.III-64		WSF prefers to have a single SAFTP which may handle multiple destinations, perhaps with multiple targets. What is the maximum number of destinations (or targets) for a SAFTP location?	Four (4).
74.	III	11.10	6.III-99	(3)	Contractor shall evaluate the feasibility of integration with King County POS hardware and software. Can you provide specifications of the SW?	It is the responsibility of the Contractor to define detailed interface and message requirements for each distinct interface as part of detailed design and implementation. Please refer to Appendix A under "Infrastructure Details" for information about existing/planned systems and equipment. Specifically, the POS uses a commercially available software package called Counter Point (ver. 7.0.x) by Synchronics (www.sync-link.com).

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
75.	III	13.2	6.III-114 to 6.III-128		There are references to developing the client application such that it is “compatible and integrated with existing systems”, and provides “all appropriate tables”. ST’s transaction interfaces are “subject to change”. Is there any interagency data dictionary that describes which data items are required, their format (for each agency) and integrity constraints?	No. Proposers are referred to Appendices A, E, F, & G for guidance on existing fare policies.
76.	III	13.2.1.11	6.III-112		Double counting of fares – this paragraph suggests that patrons can pay some portion of a fare with cash and the remaining portion with the smart card. Is this a requirement for the system?	Yes
77.	App H				Mobile Data Terminal Replacement Scope of Work Are MDU (Mobile Data Unit) and MDT (Mobile Data Terminal) interchangeable terms?	No. The MDT is the driver display and keypad device that will provide the interface and control for the radio and other devices. The MDU is the processor that supports AVL and data radio communications. It is located in a separate box. AVL shares data with the Automated Passenger Counting (APC) system processor via a LonWorks™ connection
78.	App H				Mobile Data Terminal Replacement Scope of Work Will all software be made available in source readable format as well as schematics, assembly drawings, packaging drawings, and the bill of material for the MDT?	Yes.
79.	App H				Mobile Data Terminal Replacement Scope of Work Are the radio systems on all vehicles of the Association the same?	No. KCM uses a 450 MHz system, CT uses a 800MHz, Pierce uses a 900MHz... etc., etc. ST will be using CT, PT and KCM radio systems on their services as appropriate. King County Metro is currently developing a replacement for the MDT, which is unique to KCM. The resultant design may be installed onto Sound Transit vehicles operated by KCM.
80.	III	4.5 (c)	6.III-49	(4)	Is the equipment required to be functional during the period?	Yes.
81.	III	10.2.8 (f)	6.III-77	(4)	Is a software controlled electro-mechanical coin release acceptable?	No. Needs to be mechanical (in case of power failure or controller failure).
82.	III	10.3.1 (a)	6.III-78	(4)	Does the 10,000 MTBF figure and 8,000 MTBF figure include bill handling?	10,000 MTBF with card/bill handling only. 8,000 MTBF with card/bill/coin handling.
83.	I	Attachment B	Price Sheet-11	(4)	In order to provide annual costs as described in the RFP, the proposer will be required to produce an assumption model for card issuance (i.e. cards issued / year, active cards, replacement cards, cards issued by distribution channel, etc.) and an assumption model for card usage (i.e. revalue transactions by funding source, revalue transactions by channel, cardholder support call volumes, average revalue amount, percentage of revalues funded with cash, credit, or debit, percent of revalues done through automatic revalue, etc.). Would the Association consider providing an assumption model for the proposer to follow in these areas? This would allow for consistency among proposers for pricing the annual costs incurred.	The Association will not provide an assumption model, but will rely on the proposers to consider the agencies' current fare transaction and ridership levels, in addition to other agency information in the Appendixes, to produce an assumption model on which to base their proposal. The proposers’ assumptions should reflect their business case for card revalue methods and additional applications. Proposers should clearly identify their assumptions in their proposal.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
84.	II	5.2.9	6.II-36	(4)	<p>Please clarify the scope of services being requested. Since there is reference to both generally accepted auditing standards and generally accepted accounting principles, the scope of services could be interpreted to include audit of financial statements. If audit of financial statements is within the scope of services being requested, please provide answers to the following questions:</p> <ol style="list-style-type: none"> 1. The RFP refers to an "Association" of the various parties. What is the legal entity being audited? 2. Washington State law requires all governmental entities to be audited by the Washington State Auditor's Office. It is our understanding that the parties identified in the RFP are currently being audited by the State Auditor. How can the "Contractor" be expected to engage an independent audit firm to perform the annual audit of the financial statements unless the State serves as the primary auditor and subcontracts the work out? Should the contractor assume that the Association will perform two separate audits? 3. Is the financial statement audit to be performed in accordance with Governmental Auditing Standards and OMB Circular A –133? It is the proposer's understanding that this will be a requirement, since the project is funded by federal dollars. 	<p>The requirement refers to an audit of the <i>RFC System and Services</i> provided by the successful proposer, not an audit of the Association and its members. The audit shall be conducted according to generally accepted auditing standards and shall include an audit of financial statements. The financial statements shall be prepared in accordance with generally accepted accounting principles. See response to next question regarding SAS 70 for additional information.</p> <p>Audit requirements of the <i>successful proposer</i> are addressed in Division I, Terms and Conditions, Section 3.I-62, page I-118 and are supplemented with the following clarifications:</p> <ol style="list-style-type: none"> a) If the successful proposer has an annual audit conducted, copies of the audit and, if prepared, copies of the communication of internal control structure related matters noted in the audit will be requested for the duration of the contract. b) If the successful proposer does not have an annual audit, the Association will require an annual financial statement audit of the successful proposer for the duration of the contract. <p>Guidance regarding conditions for conducting an audit in accordance with GAO and OMB Circular A-133 is provided in the Division I, Terms and Conditions, Section 3.I-62, page I-118.</p>
85.	II	5.2.9	6.II-36	(4)	<p>In reference to validating the accuracy of all systems processing, cash management, and agency settlement, these services are performed by Independent Public Accountants under the provisions of the American Institute of Certified Public Accountant's Statement on Auditing Standards #70, entitled, "Reports on the Processing of Transactions by Service Organizations".</p> <ol style="list-style-type: none"> 1. Are these services in addition to the audit of the financial statements? 2. To provide clarity for independent accounting firms responding to the RFP, are the services within the scope of SAS #70? 	<ol style="list-style-type: none"> 1) Yes. 2) The Association will require an audit report in accordance with SAS 70 for the service organization or entity that will process the smart card system transactions. If the successful contractor either provides the processing or contracts with another entity, the audit should be conducted in accordance with SAS 70. At this time, the Association has not determined which report is appropriate: a) Reports on policies and procedures placed in operation, or b) Reports on policies and procedures placed in operation and tests of operating effectiveness.
86.	General			(4) (5)	<p>Please provide a list of the radio frequencies currently in use by each operator for both voice and dedicated devices. In addition, please provide a list of any radio frequencies held in reserve but unused at this time by each operator?</p>	<p>A list of radio frequencies for each agency is available on the project website.</p>
87.	General			(4)	<p>Will the Government consider granting a 60 day extension to the current due date of May 12, 1999, which would result in a new due date of July 12, 1999? (<i>March 23, 1999</i>)</p>	<p>The Proposal Submittal Date has been extended to June 14, 1999. The Association will not consider any further requests for extending this date unless the Association determines in the future that significant revisions are required to</p>

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
						the RFP document prior to the submittal date.
88.	General			(1) (4)	[We are] very interested in responding to the Central Puget Sound Regional Fare Coordination Project. Unfortunately, our evaluation has determined that the Association's required payment terms for this project are too significant a risk. Specifically we cannot accept payment terms that provide no payment until system acceptance. The project terms and conditions as well as the \$10,000,000 letter of Credit adequately protect the interests of the agencies. Those terms and conditions in addition to the proposed payment terms inequitably shift all the financial risk on the contractor, including risks associated with cost of money and cashflow. [...] Your consideration on this issue is appreciated. (March 23, 1999)	The payment schedule is revised to allow for certain payments related to equipment, installation, cards, integration, reporting, implementation and training to be made upon Beta Test Acceptance. See the revised "Payment Schedules & Pricing Information" sheet included with Addendum No. 1.
89.	General			(4)	Will the Central Puget Sound Regional Fare Coordination Smart Card System Procurement consider an RFP proposal due date of July 12, 1999, thus granting a 60 day extension to the current due date of May 12, 1999? (March 23, 1999)	The Proposal Submittal Date has been extended to June 14, 1999. The Association will not consider any further requests for extending this date unless the Association determines in the future that significant revisions are required to the RFP document prior to the submittal date.
90.	I	2.I-4.2 (b), B, (6)	I-69	(6)	Association requests SEI CMM level of certification disclosure. How, if at all, will this be used in the evaluation of proposals received from prospective bidders? (April 9, 1999)	The Association's members are familiar with the problems associated with complex software projects and recognize that the success of <i>this</i> project will be driven primarily by the success of the software development. An SEI CMM based appraisal of a firm's key processes (and those of its team members) would provide the Association with: 1) a measure of assurance that a firm will be able to control delays, budget overruns, and quality problems, and 2) an indication of the firm's commitment to best software practices.
91.	I	3.I-18	I-84	(6)	The Association retains the 'sole right' for additional smart card usage with the RFCS. What are the criteria that the Association will use in evaluating / determining which additional smart card applications can be used within RFCS? (April 9, 1999)	<p>The Association's evaluation criteria is provided in section 3.I-18 of the RFP. Specifically, this criteria is:</p> <p><i>Approval of a Proposed Application for Association-Branded Cards shall be based on the Association's evaluation of the following criteria:</i></p> <p>(a) <i>The nature of the Proposed Application and its impact on the transit-related use of the Association-Branded Card;</i></p> <p>(b) <i>The compatibility of such Proposed Application with the transit applications on the Association-Branded Card;</i></p> <p>(c) <i>The need for the Contractor or any of its members or subcontractors to access, use, and/or disclose Use Data relating to the operation of the</i></p>

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
						<p><i>Transit System in connection with the Proposed Application, and the restrictions applicable to the Contractor's use of other personal data resulting from such additional application;</i></p> <p><i>(d) The value added by the Proposed Application for users of the Association-Branded Card;</i></p> <p><i>(e) Such other criteria as the Association may consider relevant, including by not limited to the operation of the RFCS System, the use of the Association-Branded Card, the protection of the Association's Marks, or the integrity and public image of the Association or its Agencies;</i></p> <p><i>(f) An evaluation of the trademarks to be included on the Association-Branded Card.</i></p>
92.	I	3.I-31	I-92	(6) (10)	Please specify the type of delays that result in liquidated damages. <i>(April 9, 1999)</i>	The RFP has been developed to allow proposers the flexibility to submit a wide range of proposals for meeting our system requirements. As a result, the Association is unable to specify the type of delays that may result in liquidated damages until such time that proposals have been received and the Association has a better understanding of the range of services and system components that will be provided.
93.	I	3.I-32	I-93 to I-95	(6) (9) (10)	We are concerned over the Association's desire for ownership rights to the Intellectual Property of developed software to be deployed: In particular, "be granted a perpetual, royalty-free, non-exclusive, fully transferable, and irrevocable license and the request to install and use, practice, translate, reproduce, modify, adapt and create derivative works from all such intellectual property rights, and to assign or license rights to third parties." We wish to better understand the Association's objectives/requirements in this area. Please provide circumstances and reasons for asking for a royalty free and fully transferable license and for asking for the ability to assign or license the rights to third parties. Please provide a definition of "third parties." Also, please explain the circumstances under which the Association will accept a grant of less than the foregoing rights? <i>(April 9, 1999)</i>	The Association considers "third parties" to be those parties which may contract with the Association or its members to perform work related to the RFCS system or other equipment related there to. Section 3.I-32, (b) Rights in Preexisting Intellectual Property, (1) Grant of License of the RFP will be revised to clarify this definition of "third parties".
94.	I	3.I-52	I-103 to I-108	(6)	Is it correct to assume that the Association will continue to assume all maintenance responsibility for devices other than those provided under this contract? <i>(April 9, 1999)</i>	Section 10 of RFP Division II (page 6.II-51) describes the scope of Maintenance and Technical Support Services to be provided by the Contractor. The Contractor will not be responsible for maintenance of equipment and/or work not provided or modified by the Contractor under this procurement. Figure II-10.1 summarizes the Maintenance Services required.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
95.	I	3.I-74	I-122	(6) (10)	<p>Letter of credit requirements restrict competition due to the inability of some companies to comply with this requirement. Would the Association accept a letter of credit for the duration of the implementation phase, then, at time of operational acceptance, convert to a performance bond? This would provide protection to the Association during the critical performance period, but still allow additional competition for this important project. <i>(April 9, 1999)</i></p> <p>Can the Contractor assume that the only reason for drawing against the letter of credit is a breach of contract? If not, please define in detail all other reasons for drawing against the letter of credit. <i>(April 9, 1999)</i></p>	<p>Due to the financial risk associated with the contractor's performance on this project, which includes the use of new technology to collect on an annual basis a minimum \$90 million in fare revenue, the Association does not intend to revise the requirement for a \$10 million letter of credit or accept a performance bond in lieu of a letter of credit.</p> <p>The Association intends that the letter of credit be accessible to the Association to guarantee the contractor's faithful performance of the agreement, including breach of contract.</p>
96.	I	5.I-13	I-135	(6)	Will the Association provide copy of required FTA requirements and documents? <i>(April 9, 1999)</i>	Division I, Section 5 of the RFP includes certain standard terms and conditions required by the US Department of Transportation. Section 5-13 incorporates by reference all contractual provisions required by the DOT as amended. Proposers may review the current contract provisions on the FTA website by searching the National Transit Library at http://www.fta.dot.gov/ntl/index.html or by contacting the FTA directly.
	II	1.2.2	6.III-3	(6)	Does the WebSite provided detail requirements for National Architecture Conformance and FTA requirements above? <i>(April 9, 1999)</i>	<p>This website provides access to a document that provides <u>interim guidance</u> for meeting requirements of ITS projects to conform with National ITS Architecture and standards.</p> <p>Other documents describing the National ITS Architecture requirements in detail may be found on the US DOT ITS Joint Program Office website at http://www.its.dot.gov/home.htm.</p>
97.	II	2	6.II-7	(6)	Will the Association cede management of Institutional programs developed and implemented by Contractor through Contractor's own relationship(s)? <i>(April 9, 1999)</i>	The Association defines institutional programs (<i>Division I, Introduction and Project Description, Customer Vision</i> , page I-8) as employers, universities and human service organizations which sell and subsidize transit fares. Per this functional definition, these accounts must be managed in accordance with the public policies and procedures established for such accounts. The Association may contract for account management services, but relative to transportation applications, the policies are established by the agencies.
98.	II	2.2.1 (j,k,l)	6.II-12	(6)	How will contractor be compensated for system components provided to Institutions? <i>(April 9, 1999)</i>	All components to be compensated per this contract are defined in the price sheets. Additional components outside the scope of this contract would be handled by change order. Firms will provide in their proposals a plan for meeting the institutional program requirements, including how the contractor will be compensated for meeting those requirements.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
99.	II	10.2.5.2 (c)	6.II-57	(6)	At what intervals will mean-time-to-repair be calculated? What will be the ramification(s) if the Contractor exceeds the time limit(s) identified within the RFP? <i>(April 9, 1999)</i>	The interval over which this statistic is calculated is not currently specified but will be defined when the Contractor develops its Maintenance Plan (CDRL 36) document for review and approval by the Project Manager. The Association anticipates that this statistic will be a rolling average covering an interval appropriate for the equipment being monitored. During operations, this statistic will be reported to the Association in a report to be defined in the System Maintenance Reports (CDRL 34) document. If the Contractor exceeds the time limits specified in the RFP, then the Association and its customers will experience a service interruption that may impact revenue, operations, Association image, or customer goodwill. The Association would like to minimize these impacts and will require remedial action and/or compensation.
100.	I	Card Distribution and Issue (b)	6.II-17	(6)	In regard to initializing a fare card by telephone and mail, please confirm that this means “in response to a mail or telephone request” and not at the time of a mail or telephone inquiry. <i>(April 9, 1999)</i>	Yes. The requirement is "in response to", not "on-line/immediate".
101.	I	3.I-5 (b)	I-78	(6)	The contract contemplated in the RFP is a price based contract. Since this will be a competitive procurement, we believe there will be sufficient bids received by the Association which will ensure price reasonableness without a need for further cost analysis. Therefore, we propose that the “cost analysis” be removed from the RFP. <i>(April 9, 1999)</i>	The ability for the Association to conduct price and/or cost analysis is both a local and federal requirement. Understanding that this is a competitive procurement and proposals will be primarily evaluated based on price, the Association still retains the right to conduct cost analysis when it is deemed necessary.
102.	I	3.I-53	I-108	(6)	For those materials/assets which are owned by (i.e. titled has passed to) a customer (i.e. the Association), the damage or loss would ordinarily not be the responsibility of the Contractor. Is it the Association’s intention to hold the Contractor responsible for damage or loss to property for which the Association has title? Is it the Association’s intention to hold the Contractor responsible for damage or loss to property which is not in the possession of, not controlled by, not maintained by Contractor personnel? <i>(April 9, 1999)</i>	The language in Section 3.I-53 defines the Association's intent concerning risk allocation.
103.	III	2.4.3.4	6.III-26	(6)	The requirement is for a card to carry more than one pass but states that only one pass per agency can be active at any given time. If a customer loads two different kinds of passes from the same agency on to the card, how is a single pass chosen as “active”? Does the customer have any choice? How is this facilitated? Is there a hierarchy of passes to indicate which one to activate? <i>(April 9, 1999)</i>	The system requirements restrict customers to selecting only one pass type per agency. Therefore, no internal agency selection criteria is required.
104.	General			(6)	With regard to the recent extension of 35 days on the due date of the RFP, will this also delay the start of the project and the rest of the dates in the proposal schedule by 35 days or will those dates remain the same? <i>(April 16, 1999)</i>	No. The Association intends to award a contract in March 2000 as originally planned. The schedule accommodates the 35-day extension within this time frame.
105.	General			(6)	A point of clarification, is the 14 month period in the proposal referring to the time the vendor has to initiate the project or to complete the project? <i>(April 16, 1999)</i>	The 14 month period in the high-level project schedule (http://transit.metrokc.gov/programs_info/smartcard/sc_schedule.html) refers to the time the vendor has to complete the project.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
106.	General			(6) (7)	What was the total number of KCM ticket and pass sales for 1998?	The total number of King County Metro <u>ticketbook</u> and pass sales for 1998 was: Ticketbooks = 302,000 Passes = 1.6 million Note: Tickets are cash fare equivalents and range from 10-20 per ticketbook depending on fare type.
107.	General			(6)	What is the projected increase in KCM ridership for 1999?	The projected increase in King County Metro ridership is 5%.
108.	General			(6)	Where does KCM Van Pool funding come from?	King County Metro Van Pool funding comes from the following sources: a) User fees b) Local sales tax c) Local excise tax d) Federal grants e) State grants
109.	App C			(8)	In Appendix C when the focus group information is listed, who proposed the solutions presented? Specifically, on page c-11, we would like to get more information on the thinking behind the telephone revaluing as well as initial fees, etc. Whom can we talk with to get more information? <i>(April 26, 1999)</i>	Agency staff proposed the telephone revalue option for the focus group. All of the agencies currently sell fare media via phone customer service and it is valued by our customers as providing a high level of convenience. It would not be appropriate for the proposer to discuss further with agency staff.
110.	App A			(8)	Appendix A lists various equipment manufacturers of the fare boxes: Diamond and Euclid. We have been able to get information on the Diamond boxes, but can't find any information on Euclid. Is Euclid the name of the product or the company? Where can we go to find out more information on the Euclid Farebox? <i>(April 26, 1999)</i>	Kitsap Transit uses Maine Fare boxes which are manufactured by Euclid. The phone number for Maine Farebox is 440-942-7310. These are "drop" boxes (not electronic) and require no integration with the smart card system.
111.	App A			(8)	On page A-30 of the Appendices, "go-passes" and "u-passes" are listed? What are each? What is the difference between the two? <i>(April 26, 1999)</i>	These are different names for essentially the same product, i.e transportation passes for college and university student/staff and faculty. These passes are sold at contracted rates to the institution and are typically renewed or replaced on a quarterly basis (4/year). For further information, see Institutional Programs Section 6.11-2 and Appendix B "Employer, Campus and WSF commercial Account Example Concepts".
112.	App A			(8)	Also in Appendix A several places list buses vs. paratransit. What is paratransit? How does it differ from buses? Kitsap is listed as using both buses and paratransit, whereas King County has 1230 buses but no paratransit. Why? What is the difference here between Kitsap and King County? <i>(April 26, 1999)</i>	Paratransit is typically "demand responsive" (by reservation for a trip origin and destination as the customer requires) as opposed to mainline bus service which is regularly scheduled and fixed-route. Agencies have some discretion as to how they deliver paratransit services and whether or not they collect fares on board, i.e. require smart card fare collection equipment. Paratransit vehicles are typically smaller buses (20 passenger vs. 40 to 60 for a fixed-route bus) or van

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
						service. King County has a paratransit fleet, but currently plans to address its smart card fare collection requirements in a later project phase.
113.	App A			(8)	In appendix A "stored rides" are referred to. What kind of ticket is this? <i>(April 26, 1999)</i>	“Stored Ride” references a potential smart card fare media option which would be a ticket equivalent. Currently, no agency requires this option. All agencies plan to use the “stored value” cash equivalent option.
114.	General			(8)	Today we know there are no stand-alone FTPs on the ferries. Are there any specs as to where future FTPs will go on the ferries or is that up to us to spec? <i>(April 26, 1999)</i>	No fare collection takes place on board the vessels. Per the current WSF operating concept, all fare collection is in the terminal or on the dock.
115.	General			(8)	When specing the number of revaluing units in the appendices we notice that most agencies list 2 units and the ferries list 12. Why are the numbers so low? What is the reasoning behind an average of 2 units per agency? <i>(April 26, 1999)</i>	We assume the question refers to the Automatic Revalue Kiosks (ARK’s). WSF has limited fixed-route service which is accessed by terminal facilities. All passengers board at specific points, therefore the ARK productivity is guaranteed to service a high proportion of ferry customers. Bus customers board at thousands of stops, and the agencies must rely on a variety of revalue methods to reach the optimum balance of customer convenience and equipment productivity. Bus agencies will site ARK’s at high volume transit hubs and rail stations.
116.	General			(8)	Who do each of the seven transit agencies bank with? <i>(April 29, 1999)</i>	<p>The seven agencies currently bank with the following:</p> <ul style="list-style-type: none">• Community Transit Seafirst (Bank of America)• Everett Transit..... Frontier Bank <i>[uses City of Everett account]</i>• King County Metro Key Bank• Kitsap Transit..... Seafirst (Bank of America) <i>[uses Kitsap County account]</i>• Pierce Transit Key Bank• Sound Transit..... Seafirst (Bank of America)• Washington State Ferries ... State Treasurer’s Office (US Bank) <p>Please be advised that these are competitive contracts that are subject to change every 2 to 3 years.</p>
117.	General			(8)	Would the Association consider extending the deadline for proposal submission? <i>(April 28, 1999)</i>	At this time, the Association is denying requests for further time extensions to this procurement. As indicated in the Request for Proposal (RFP) #98-069 and at the pre-proposal conference and site visits, it is extremely important to this region to maintain the project implementation schedule as specified in the RFP. A draft of the RFP was issued to the industry last November, and the Association officially issued the document on February 16, 1999. Based on requests from the industry, a 35-day extension was granted, moving the proposal due date from

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
						May 11 to June 14, 1999. Potential proposers should assume there are no changes to the RFP requirements, unless notified otherwise, and continue to develop their proposals accordingly.
118.	General			(8)	We respectfully request an extension of time of 30 days within which proposals may be submitted to the Association in response to King County’s RFP No. 98-069. Proposals are currently due on or before June 14, 1999. If this request is granted proposals would be due on or before July 14, 1999. <i>(April 29, 1999)</i>	At this time, the Association is denying requests for further time extensions to this procurement. As indicated in the Request for Proposal (RFP) #98-069 and at the pre-proposal conference and site visits, it is extremely important to this region to maintain the project implementation schedule as specified in the RFP. A draft of the RFP was issued to the industry last November, and the Association officially issued the document on February 16, 1999. Based on requests from the industry, a 35-day extension was granted, moving the proposal due date from May 11 to June 14, 1999. Potential proposers should assume there are no changes to the RFP requirements, unless notified otherwise, and continue to develop their proposals accordingly.
119.	General			(8)	<div>We have completed a review of the revised payment terms. We appreciate that the Association is attempting to resolve the risk and cost of money issues previously identified. [...] despite the Association’s revised payment terms, we continue to feel the payment terms pose a significant risk. We recommend that the Association consider the following payment terms for this project:</div> <div><div>Mobilization5%Acceptance of PDR10%Acceptance of FDR10%Long Lead Procurement15%Start of Beta Test15%Completion of Beta Test10%Production Completion20%Completion of Final Test10%Completion of Warranty5%</div><div>100%</div><div>We believe that the revised payment terms offered by the Association, in their amended RFP, continue to limit competition. <i>(April 28, 1999)</i></div></div>	The Association revised the payment schedule for this project in Addendum No. 1 issued April 7, 1999 to allow for earlier project payments to the contractor. The revised payment schedule allows the contractor, prior to Full System Acceptance, to invoice the Association upon successful completion of the Beta Test for costs related to that requirement. This is in addition to the contractor's ability to receive monthly project management payments through the system implementation phase. The Association is not considering further revisions to this payment schedule.
120.	General			(8)	We are also concerned with the risk and limitations presented by the requirement for a \$10,000,000 Letter of Credit (LOC). The terms for a LOC would excessively burden this project. We request that the Association require a performance Bond in lieu of a letter of credit. <i>(April 28, 1999)</i>	Due to the financial risk associated with the contractor's performance on this project, which includes the use of new technology to collect on an annual basis a minimum \$90 million in fare revenue, the Association does not intend to revise the requirement for a \$10 million letter of credit or accept a performance bond in lieu of a letter of credit.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
121.	General			(8)	Due to the above items, and additional efforts to assemble the best team to pursue this project, we are requesting a 45 day extension from the current June 14 th proposal due date. <i>(April 28, 1999)</i>	At this time, the Association is denying requests for further time extensions to this procurement. As indicated in the Request for Proposal (RFP) #98-069 and at the pre-proposal conference and site visits, it is extremely important to this region to maintain the project implementation schedule as specified in the RFP. A draft of the RFP was issued to the industry last November, and the Association officially issued the document on February 16, 1999. Based on requests from the industry, a 35-day extension was granted, moving the proposal due date from May 11 to June 14, 1999. Potential proposers should assume there are no changes to the RFP requirements, unless notified otherwise, and continue to develop their proposals accordingly.
122.	General			(11)	<p>[...] With respect to Question Item #93, which asks for directions regarding RFP Section 3.I-32 Intellectual Property, including Part (b) Rights in Preexisting Intellectual Property, and Part (c) Non-infringement of Third Party Rights, you indicate that the Project will respond on May 7. The following is sent to you for your consideration with regard to that.</p> <p>[...]</p> <p>With regard to Preexisting Intellectual Property content, we confirm that this Project is based on an invention of Mr. [John W.] Halpern and is protected by United States Patent No. 4,661,691, among other Halpern patents and pending patent applications. You will note that the ‘691 patent has an effective filing date of February 27, 1970, and an issue date of April 28, 1987. We have obtained an opinion from our patent counsel Rothwell, Figg, Ernst & Kurz, P.C, based on all available information to date, that the system set forth in RFP #98-069 is covered by at least claim 1 of the ‘691 patent.</p> <p>In addition to the elements of the System covered by the ‘691 patent and required by RFP#98-069, Mr. Halpern has developed the following technology which can be used by the licensee of the System when desired.</p> <p>Double Coil Smart Card. This is described in John W. Halpern’s US Patent No. 5,734,722, with an effective filing date of July 16, 1992 and an issue date of March 31, 1998. [...]</p> <p>[...] Mr. Halpern presently is willing to license the Project and its Associates under all existing Halpern patents and patent applications to use the System, and the Double Coil Smart Card option, based on only one quarter of one percent (0.25%) of revenues of the lines using the System. <i>(April 29, 1999)</i></p>	<p>The Association takes no position on the validity of this assertion. Proposers are reminded that:</p> <ul style="list-style-type: none"> • Section 2.1-4, et seq. requires that, for each proposal element, the Proposal shall list any existing intellectual property which would be used and describe any new intellectual property which would be developed; and • Section 3.1-32(c) requires that the selected Contractor obtain all required licenses on behalf of the Association or otherwise ensure that there is no infringement of third party intellectual property rights; and • Section 3.1-52 requires that the selected Contractor warrant no infringement of intellectual property rights of third parties; and • Section 3.1-57 requires that the selected Contractor defend and indemnify the Association against all claims. <p>This assertion, as received by the Association (4/29/99 letter from Richard Davies to Steve Cole), may be viewed on the Project website:</p> <p>http://transit.metrokc.gov/programs_info/smartcard/sc_addinfo.html.</p> <p>Please also note that in response to Question #93, the Association revised the language in Section 3.I-32 to clarify the definition of “third parties”. Please refer to Addendum No. 2 (5-7-99) on the project website for more details.</p>

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
123.	General			(11)	[We] have reviewed the RFP #98-069 and [are] interested in submitting a proposal for this project. However, the current payment terms defined place too great a risk on the contractor and would prevent us from participating. If the Association revises the payment terms to reduce the financial risks to the contractor, [we] would consider bidding on the project. [...] <i>(May 5, 1999)</i>	The Association has revised to payment schedule to allow earlier payment to the Contractor based on achieved milestones. Please refer to Addendum No. 4 (6-11-99) on the project website for more details.
124.	General			(11)	[We]...with this letter are officially requesting an extension of the proposed due date for the above referenced Request for Proposal for a period of 45 days. The reasons for this request is that our team is developing a solution to the privacy issue which caused a significant amount of concern in the Puget Sound Region. [...] <i>(May 19, 1999)</i>	The Association has extended the Proposal Submittal Date to Friday, July 30, 1999. Please refer to Addendum No. 3 (6-2-99) on the project website for more details.
125.	General			(11)	[We] ...respectfully request the Association to reconsider its position as to the need for a letter of credit, to revise or clarify its data rights requirements, to reallocate the risk of loss for damage done to equipment and material upon the basis of title to such goods, to revise the RFP's payment schedule, and to grant [us] and other offerors a ninety day extension of time within which proposals can be submitted to the Association. [...] <i>(May 21, 1999)</i>	<p>The Association provides the following responses to questions regarding these items:</p> <ol style="list-style-type: none"> 1) Letter of Credit: Due to the financial risk associated with the Contractor's performance on this project, including among other things, the use of new technology to collect a minimum of \$90 million in fare revenue annually, the Association does not intend to revise the requirement for a \$10 million letter of credit or accept a performance bond in lieu of a letter of credit. 2) Data Rights/Intellectual Property: The language in Sections 3.I-32 and 3.I-33 define the Association's intent concerning intellectual property and data rights. 3) Risk Allocation: The language in Section 3.I-53 defines the Association's intent concerning risk allocation. 4) Scheduled Payments: The Association has revised to payment schedule to allow earlier payment to the Contractor based on achieved milestones. Please refer to Addendum No. 4 (6-11-99) on the project website for more details. 5) Extension of Time: The Association has extended the Proposal Submittal Date to Friday, July 30, 1999. Please refer to Addendum No. 3 (6-2-99) on the project website for more details.
126.	General			(11)	[...] we have encountered two obstacles which prevent us from offering such a proposal, and I am writing to seek your assistance in removing these obstacles. The first is bid schedule. Considerable time and resources have been expended in forming a team which can best provide the range of competencies implied by the RFP. This task is now	<p>The Association provides the following responses to questions regarding these items:</p> <ol style="list-style-type: none"> 1) Bid Schedule: The Association has extended the Proposal Submittal Date

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
					complete, but an additional sixty to ninety days beyond your current closing date is required to formalize agreements and complete our proposal. The second is the payment terms for supply of transit assets. We are unable to bear the risks inherent in the current terms and request that the Association revise these terms to reflect advance progress payments against conventional project milestones. [...] <i>(May 26, 1999)</i>	to Friday, July 30, 1999. Please refer to Addendum No. 3 (6-2-99) on the project website for more details. 2) Payment Terms: The Association has revised to payment schedule to allow earlier payment to the Contractor based on achieved milestones. Please refer to Addendum No. 4 (6-11-99) on the project website for more details.
127.	III	6.III-4.1 (Addendum No. #4)	N/A	(12)	Addendum 4 requires separate units for the FTP, DDU and WDOLS functions. We believe a proposer should be able to provide a unit which bundles two or more of these functions into one unit if the proposer believes that this configuration will provide the most cost-effective solution. We therefore request that the Addendum be amended to remove the words "in addition" and "subject to the review and approval of the Project Manager" from the second sentence of the paragraphs preceding Figure III-4.3 and Figure III-4.4. <i>(June 18, 1999)</i>	<p>The RFP has always required that proposals include a “modularized on-board architecture” that called for an FTP, a VLU, a DDU and a WDOLS in “individually packaged modules”. This “modularized” configuration was one of three required architectures. Addendum No. 4 reduced the number from three to one and eliminated the requirement for the VLU. Now, only the modularized configuration, with some modification, is required. The Association requires separate modules for the FTP, DDU, and WDOLS to ensure the maximum degree of flexibility in how components are networked together and to minimize future component replacement costs. Please reference the Original RFP Section 6.III-4.1.1(c) and Figure III-4.5 for more details.</p> <p>The technical specifications of the RFP continue to be expressed as performance and functional requirements, and wherever possible, the Association seeks to use commercially available, off-the-shelf components. The Association also believes it is prudent to require system components that are modular, upgradeable, and capable of supporting multiple operating systems. This is consistent with the intent of the USDOT and ITS America National ITS Architecture, and conformance with these guidelines is critical to ensure federal grant funding for this project. For this reason, the Association is unwilling, at this time, to eliminate its long-standing requirement of a modular configuration. The Association understands that this may introduce a relatively new procurement and operating model for the industry, which may have cost implications, but such implications, if any, cannot be known until proposals are received.</p> <p>A Proposer that intends to use an existing product which bundles one or more of these functions would not necessarily be required to design a new “unbundled” unit to meet the required modular configuration. For example, a DDU/WDOLS combination unit could be proposed so long as a separate WDOLS unit is included. Retaining the WDOLS function in the original product, albeit unused, may be less costly than creating a new, unbundled DDU.</p>

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

Item #	Division #	Section #	Page #	Notes #	Question / Comment	Response
						<p>Proposers that believe a different configuration can be implemented at less cost are encouraged to propose such, as an alternative, so the Association may weigh the relative costs and benefits of alternative configurations. (Please refer to RFP Section 1.I-22, "Proposal Alternatives", for more discussion on this topic.)</p> <p>Because this is a negotiated procurement, rather than a bid process, a Proposer that declines to propose the required modular architecture, and proposes only its own alternative, will not necessarily be rejected at the outset for that reason. However, such a proposer takes the risk that other consortia may propose a configuration that meets the RFP's modular requirements and will be evaluated more favorably.</p>
128.	III	6.III-7.4(a) & 6.1 (Addendum No. #4)	N/A	(12)	Section 6.III-7(a), Wireless Data On/Off Loading System & Section 6.III-6.1, Subsystem Description – DDU, and potentially other sections in the Addendum, specifically prohibit the WDOLS from being bundled with the DDU. We believe that the performance achieved through connecting the WDOLS through a DDU high speed serial port will definitely not meet the RFP requirements for 1Mbits/sec transmission rate. At a serial port transmission rate of 115Kbits/sec, the UD, faretable, parameter and calendar data [...] to be transferred at the end of each shift will take about 4 minutes which is usually unacceptable. <i>(June 18, 1999)</i>	The DDU is not specified to be a conduit between the FTP and the WDOLS. Instead, Addendum No. 4 (Section 6.III-4.1.1) envisions the FTP will be connected directly to the WDOLS module initially and later to the VLU. Also, the Association believes that transmission rates higher than 115Kbits/sec are achievable with standard available communications technology.
129.	III	6.III-6.1	N/A	(12)	By specifying that bidders propose a DDU that is a QSI Corporation device or equivalent (Section 6.III-6.1, Subsystem Description – DDU), we believe bidders are restricted in their ability to offer their own functionally compliant standard product DDU. We do not have adequate information on how we are able to have our standard DDU approved as an equivalent device nor how long that approval process would take nor how much this approval process will cost. We object to one vendor's device being specified as the standard at this late date. We therefore request that this provision be removed and the Association instead rely on its functional specification to ensure that an acceptable device is specified. <i>(June 18, 1999)</i>	Proposers are free to propose a DDU that is not a QSI device so long as it meets the requirements set forth in Sections 6.III-6.2 through 6.8. The Association will evaluate the proposed DDU only on its ability to perform as required. There is no process, apart from the Association's evaluation process, for determining equivalence, and a firm does not need to pre-qualify its proposed DDU.

Notes:

- (1) Question/Comment resulted in a revision to RFP. See *Addendum No. 1*, dated April 2, 1999.
- (2) Question/Comment response in *3/17/99 Release* was revised in *4/2/99 Release*.
- (3) Response to Question/Comment in *3/17/99 Release* was deferred to *4/2/99 Release*.
- (4) New Question/Comment since *3/17/99 Release*.
- (5) Additional information available; see project website.
- (6) New Question/Comment since *4/2/99 Release*.

Regional Fare Coordination Project

Prospective Proposer Questions (through 6/30/99) on RFP #98-069, as Amended

- (7) Question/Comment response in 4/23/99 Release was revised in 5/7/99 Release.
- (8) New Question/Comment since 4/23/99 Release.
- (9) Question/Comment resulted in a revision to RFP. See Addendum No. 2, dated May 7, 1999
- (10) Response to Question/Comment in 4/23/99 Release was deferred to 5/7/99 Release.
- (11) New Question/Comment since 5/7/99 Release.
- (12) New Question/Comment since 6/24/99 Release.

Other: Page numbers refer to the initial hardcopy release (February 16, 1999) of the RFP sent to all registered participants. Readers may experience a slightly different pagination if using the amended PDF file from the project website.

Release History:

Release Date	Questions/Comments	Notes
3/17/99	79 count	Preliminary response to questions received through 3/12/99. Released at Pre-Proposal Conference.
4/2/99	89 count	Final response to questions in 3/17/99 Release and new questions received through 3/23/99. Released to project website.
4/23/99	108 count	Response to new questions received through 4/9/99. Released to project website.
5/7/99	121 count	Final response to questions in 4/23/99 Release and new questions since 4/23/99 Release. Released to project website.
6/24/99	126 count	Response to new questions received since 5/7/99 Release.
6/30/99	129 count	Response to new questions received since 6/24/99 Release.